

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL MEMORANDUM

SB 1903 – HB 1637

May 21, 2009

SUMMARY OF AMENDMENT (008121): Deletes the language of the original bill. Makes various revisions to Tenn. Code Ann. Title 8 relative to notaries which include the following: increases from \$10,000 to \$25,000 the amount of bond needed for a notary public; makes a conviction of a felony a basis for disqualification to hold the position of notary; gives the owner of real property who is a victim of the fraudulent actions of a notary a right of action to sue upon the bond and to recover attorneys fees and costs; authorizes courts to grant temporary possession of real property to persons who have demonstrated a legal claim after notice and an opportunity for a hearing; such court order will be enforced by law enforcement agencies subject to the court's discretion.

FISCAL IMPACT OF ORIGINAL BILL:

Decrease State Revenue - \$119,900
Increase State Expenditures - \$27,400/Incarceration*

Decrease Local Revenue - \$167,900

**Tennessee Code Annotated, Section 9-4-210, requires that: For any law enacted after July 1, 1986, which results in a net increase in periods of imprisonment in state facilities, there shall be appropriated from recurring revenues the estimated operating cost of such law. The amount appropriated from recurring revenues shall be based upon the highest cost of the next 10 years.*

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Decrease State Revenue – Not Significant
Decrease Local Revenue – Not Significant

Assumptions applied to amendment:

- The bill, as amended, is not expected to significantly affect the number of notary commissions filed with the County Clerks and with the Secretary of State. The fee for a notary commission is split between the County Clerk (\$5.00) and the Secretary of State (\$7.00).

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- The increase in the bond requirement could be covered under the normal fee structure for bonds issued by insurers. Therefore, the impact to state and local governments arising from the increase in the monetary value of the surety bond is estimated to not significant.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a larger, more prominent script than the last name "White".

James W. White, Executive Director

/rct